

USAID UKRAINE COMMERCIAL LAW CENTER PROJECT

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Deloitte Touche Tohmatsu Emerging Markets, Ltd.

QUARTERLY PERFORMANCE MONITORING REPORT 3

For the Quarter Ending 30 April 2001

SPECIFIC ACTIVITIES DURING REPORTING PERIOD

ADMINISTRATIVE & INSTITUTIONAL

Staff development –

- Kharkiv lawyer Mykola Slyusarevsky joined the project on 12 February as a staff attorney.
- Viktor Musiyaka resigned as Center Director on 5 March. After finalizing the text with OER/USAID, ads were placed in major newspapers (Den, Holos Ukrayiny, Uryadovy Kuryer, Kyiv Post, Yuridicheskaya Praktika) to announce the position.
- Resumes were received from over 30 candidates for the Deputy Director position as a result of advertisements placed in local newspapers. Interviews were held with 16 candidates for position of Deputy Director. Further decisions regarding the position vacancy were temporarily put on hold until the Center Director position is filled.
- Yuliya Stefanyshyna joined the Center on 19 March as Senior Outreach and Information Consultant. Her main tasks include website support and development, business seminars, and the “Ukrainian Commercial Law” journal development.
- Yuriy Yurchenko joined the Center on 26 March as Strategic Development Director. His initial task was to develop a legislative development strategy.
- Natalya Rudenko, formerly of The Barents Group, was hired as a staff attorney at the end of March. She has been assigned the intellectual property law portfolio.
- Dmytro Shcherbynsky resigned as Legislative Development Director on 30 April. Recruiting advertisements were subsequently placed in major newspapers.
- An agreement between the state foreign program payroll office - “GDIP” and the Project was signed. Effective 1 February, Center employees have been paid via the GDIP system. GDIP labor contracts were signed for all Center employees in addition to personal payroll contracts for bank service through Credit Lyonnais Ukraine.
- A Center Employee Handbook has been prepared.

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- At the Center's request, the Counterpart Creative Center provided special training to the staff on SOW preparation for expert services and other professional procurement.
- The Project has continued researching and developing a legal and financial framework to incorporate the Center as a Ukrainian legal entity. As reported earlier, Ukrainian tax law is particularly complex in its treatment of non-profit organizations, making it difficult to incorporate an entity able to implement all of the activities foreseen under the workplan. A final memo has been prepared on incorporation of the Commercial Law Center as a legal entity based on the Project's mission and current Ukrainian legislation. Based on the expert advice of the law firms which provided legal opinions, the best approach will be to incorporate the Center as a charitable foundation with local territorial status. Under Ukrainian legislation, the highest body is the "founders' meeting" which appoints an Executive Board as well as a Supervisory Board. A local law firm specializing in charitable foundation incorporation and registration has been commissioned to prepare all of the draft documents which will be needed.
- In accordance with the Project workplan, preparation has begun to draft a business plan for the Center. In addition, Center staff has begun practicing internal, department-based financial planning so it will be possible to compare revenues against expenses for each department when the Center's business activities are launched. The USAID/Kyiv financial operations audit held in late March provided Center staff an opportunity for additional testing and improvement of the internal control procedures which were already in place.
- Four more computer workstations and a digital camera have been purchased. The latter will allow the Center to photograph activities and post them on our website and in our various publications.
- On 1 March the Project conducted its first electronic financial transaction using its hryvnia bank account.
- A specialized checklist and administrative forms binder has been developed to be used in the preparation of seminars and other Center events. It contains samples of the letters, contracts, and other documents needed to plans such events.
- The Center launched its electronic database on seminars and other events. A special ad has been prepared to promote the Center's interactive website. The ad will be placed in major Ukrainian newspapers (Holos Ukrayiny, Yuridicheskaya Praktika, Halytski Kontrakty, and Uryadovy Kuryer. A color version of the ad has been prepared as an insert for materials issued by the Center.

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- A Xerox copying machine and colored printer were purchased to meet the growing demand for such resources relative to the Center's increased materials production activities.
- An information booklet on the Center has been prepared.

PROFESSIONAL DEVELOPMENT

Training Workshops

In anticipation of Training Workshop II on Contract Law, the Center asked two private Ukrainian law firms, Shevchenko, Didkovsky and Partners and Pravis (headed by Mr. Pukshyn, the former Deputy Justice Minister) to write background briefs on contract issues in Ukraine. These briefs helped the Center staff and presenters frame the issues for the workshop. In addition, the Center sent each prospective presenter a set of guidelines in order to emphasize that the Workshops should be interactive and practice oriented. These guidelines are now forwarded to all presenters.

Training Workshop II was held 5-9 February. The agenda included presentations on civil law obligations, contract formation, rights of ownership and contract law, contract negotiation and completion of contracts, foreign contracts for the purchase and sale of goods, contract enforcement, Western legal standards for the enforcement of contracts, damages and other remedies, and the termination of contracts.

In an attempt to ensure good participation at the workshop, we expanded the number of invited attendees to 46 persons. Rather unexpectedly, everyone who was invited attended. The International Law Institute provided the services of an international attorney, Dimitri Dubograev, who gave highly informative and well-received presentations on international practice. His presentations focused on the critical issues which must be considered in negotiating and drafting effective contracts and included many concrete examples concerning NIS clients engaged in contractual transactions with Western firms.

The Center is in the process of analyzing the evaluations provided by the participants, but the active participation of those present and the sustained attendance from day to day throughout the training workshop suggest that the event was well-received. The written materials that were provided at the workshop will serve as an important resource for the attendees when faced with practical issues regarding the negotiation, drafting, and enforcement of contracts.

The Center completed its third week long Training Workshop from 12-16 March on "Legal Regulation of Credit Transactions". The International Law Institute was represented by a member of the Paris Bar Association, Alexander Kolossovski, who presented lectures on international practice regarding the provision of financial (banking) services to enterprises. Presentations were also made by 8 Ukrainian experts and the Center's Senior Legal Adviser Justin T. Holl, Jr. 32 invitees

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participated in the seminar. The results of evaluation surveys prepared by the participants disclose that Workshop was highly professional and of value to the participants.

Continuing Legal Education (CLE) Seminars

On 26 January the Center sponsored a day-long Continuing Legal Education seminar on “Trade Aspects in the Use of Objects of Intellectual Property Rights in Market Economies”. Presentations were made by Prof. O. Pidopryhora, President of the Copyright Association, V. Zhukov, Director of the Institute of Intellectual Property (Kharkiv), and L. Tymofiyenko, Director of the Copyright Association, all well-known and highly respected specialists. The topics ranged from problems with present Ukrainian legislation to judicial practice, and contractual aspects of trade in intellectual property. The 38 participants included lawyers from state entities (Parliament, Presidential Administration, MOJ, MinEcon, MinCulture, MinEducation, State Agency of Author’s Rights, Antimonopoly Committee, Supreme Court, HAC) and practicing lawyers. A journalist from the legal publication “Yuridicheskaya Praktika” was also present.

On 27 February the Center held another day-long CLE seminar on “Issues of Legislative Support of Small Businesses”. Presentations were made by O.I. Soskin, Director of the Society Transformation Institute, I.V. Spasibo-Fateeva, associate professor of Civil Law at the Yaroslav the Wise National Law Academy, and M.B. Husak, judge of the Higher Arbitration Court of Ukraine.

The Center is continuing preparations for conducting two legislative drafting seminars. On 12 February a meeting was held with Mrs. Natalia S. Hryn, first deputy head of the Main Legal Department of the Verkhovna Rada of Ukraine to discuss certain aspects of the draft program. Many other consultations have been held with Ukrainian experts in the field in an attempt to identify a qualified local faculty to teach the course. Given that the Justice Ministry conducts regular seminars exclusively for executive branch employees, the Center’s seminars will also target MPs and employees of the Verkhovna Rada and the Secretariat.

On 22 March in Dnipropetrovsk the fourth one-day CLE seminar “Problem Issues of Business (Commercial) Law Application Practices” was held, in coordination with the Dnipropetrovsk affiliate of the National Presidential Public Administration Academy. Two judges of the Higher Arbitration Court of Ukraine, M. Husak and T. Dobrolyubova, made presentations. 49 participants, chosen from local self-government bodies and practicing lawyers attended.

On 20 April 2001 a CLE seminar was held in Lviv entitled “Issues of Legal Support of Small Businesses”. Presentations were made by Y. Usenko, Judge of the Higher Arbitration Court of Ukraine, and by V. Kossak, Head of the Civil Law Department at Lviv Franko National University. 42 lawyers from state and local self-government bodies as well as practicing lawyers participated in the seminar.

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Commercial Law Curriculum Reform

On 20 February a working group meeting was held at the Center to develop a model commercial law curriculum for Ukrainian law schools. The members of the working group include Profs. D.V. Zadykhaylo (Kharkiv), V.I. Kysil (Kyiv), V.M. Kossak (Lviv) and V.M. Sushchenko (Kyiv). This was the second meeting of the working group and at this meeting participants decided to individually develop the following issues to be presented at the next meeting:

- defining the commercial law specialty;
- coordinating issues with the existing “Economic Law” curriculum;
- considering the number of classroom hours necessary for the core curriculum and the electives;
- developing recommendations for the law schools on presenting the specialty curriculum.

When agreement has been reached on these issues the working group will forward the model curriculum to the Education Ministry to seek its certification as a regular discipline for law schools across Ukraine. It will also be necessary to develop special methodological materials for specific courses within the curriculum.

In addition, law schools throughout Ukraine have been asked to submit their ideas on a standard curriculum for commercial law to the Center.

On 6 March the Center hosted Mrs. Susan Fenno, accounting consultant from the Accounting Reform Project in Ukraine, to discuss possible cooperation in developing a commercial law curriculum. The Accounting Reform Project is developing a semester course on “Business Law” for accountants and auditors based upon a curriculum developed by British experts.

Practical experience for students

After initial meetings with the dean of the law school at Kyiv-Mohyla Academy to discuss proposals for establishing a commercial law clinic and clerkship program, a special roundtable was held on 1 March. It was attended by judges from the Supreme Court of Ukraine, Higher Arbitration Court, Kyiv City Court, the Kyiv Arbitration Court, and the Podil Rayon Court of the City of Kyiv. After a short presentation on international experience with judicial clerkships, the feasibility of a post-graduation, one-year judicial clerkship was debated. The official status of such interns, how they will be sponsored, and the need for official support through a joint directive of the Education and Justice Ministries were raised as critical issues that must be addressed. In addition, the representatives of the judiciary felt that judges should be compensated for their time spent in managing the interns posted at their courts since it will be an additional burden on their workload. Additional issues such as selection procedures will be discussed at subsequent meetings.

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Publications for professionals

Preparations are well underway for the first issue of the Center's journal "Ukrayinske Komertsyine Pravo" (Ukrainian Commercial Law), dedicated to issues of intellectual property in Ukraine. IPR experts have been solicited to submit articles. Prof. Opanas Pidopryhora, an authority in the IPR area, has agreed to serve as editor of the first issue.

LEGISLATIVE DEVELOPMENT

The so-called Teryokhin Law "On the Procedure for Discharging Taxpayer Liabilities to the Budgets and Special Purpose State Funds" that was adopted by the Verkhovna Rada on 21 December 2000 was sent to the President, but no action has been taken by the President to sign or veto the law. On 9 February, the Center provided the President's Administration with written commentary and recommendations regarding the treatment of tax lien priority.

The Center is continuing its work regarding a framework for the regulation of non-banking financial institutions. This work is being coordinated with efforts of the World Bank, the TACIS UEPLAC Project and other donor organizations in addition to our agreement with Mr. V. Pasichnyk, Head of the Legal Department of the National Bank of Ukraine. Based upon the initiative of the World Bank, the Cabinet of Ministers created, by Resolution No. 1620 dated 1 November 2000, a Coordination Council for Policy Issues in the Financial Sector to be chaired by PM Yushchenko. On 30 January, pursuant to Protocol No. 1 of the Coordination Council, a Working Group was established to prepare a draft of a "Law on Financial Services" for submission to the Verkhovna Rada in February 2001. The first meeting of this Working Group took place on 30 January 2001.

On 1 February, the Center hosted a meeting with Andriy Olenchyk, World Bank, Jaroslav Kinach, Advisor to the Ministry of Economy of Ukraine, Ihor Pryima, Senior Consultant to the Verkhovna Rada on Financial and Banking Issues, and David Dod, Boris Von Hoffmann and Roger Pugh of USAID. There was a follow up meeting on 5 February with Gleb Krivenko (USAID) and Andriy Olenchyk. At these meetings it was agreed that the Center would work closely with the Working Group to provide information and support, not only for the initial framework development, but would continue to assist the Working Group in the develop of future laws that are required within the framework.

The Center procured the services of Peter Sochan, an expert in international finance and economics, to review and comment on the draft law of Ukraine on Financial Services prepared by the National Bank of Ukraine, the 1997 draft law on Financial Operations prepared by Ukrainian parliamentarian Serhiy Teryokhin and various reports and recommendations prepared for and on behalf of the World Bank, on the

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development and regulation of non-Bank Financial Institutions in Ukraine. Mr. Sochan also reviewed related legislation and materials concerning Financial Institutions and Services from several foreign countries supplied or located by the Center. Mr. Sochan's work resulted in general recommendations which it may be considered for inclusion in the development of the law(s) to be submitted for approval by the parliament of Ukraine. A roundtable discussion regarding financial services law and regulations for Ukraine, sponsored by the Center, was held on 13 February 2001.

On 28 February the World Bank held an international video conference on "The Global Dialogue on Policy in Financial Sectors" featuring participants from Argentina, Ecuador, the United States, Australia, Great Britain, Romania, and Ukraine. Our Legislative Development Director attended on behalf of the Center and participated in discussions before and after the video conference with the Ukrainian specialists.

A roundtable discussion organized by the Center and the World Bank on 21 February was devoted to organizing the positions of the USAID Capital Markets and Pension Reform Projects regarding the regulatory structure for Ukraine with respect to the regulation of non-bank financial services. The discussion was organized in anticipation of a meeting with Ihor Yushko, MP and Deputy Banking Committee Chairman. This meeting was also attended by Viktor Stetsenko, David Dod, and Gleb Krivenko of USAID, and Angela Prigozhina and Andriy Olenchuk of the World Bank. A follow-up roundtable with Mr. Yushko was held on 26 February where he affirmed that the position of the Verkhovna Rada has been developed over the last few years and that there would be one organization responsible for the regulation of non-bank financial institutions. Mr. Yushko invited any interested parties to become active in the further development of the draft Law on the Regulation of Non-Bank Financial Services within this framework.

The Center's Legislative Development Department has begun to internally evaluate the prospects for additional support for the draft law "On Securing Performance Of Obligations With Moveable Property" that was prepared under the USAID IRIS Collateral Law Project. This draft passed the first reading of the Verkhovna Rada and was registered as Draft Law No. 4245 on 28 December 1999. Meetings have been held with interested parties and a report is being prepared, which will be part of the report for next month. It is anticipated that the Center will arrange a roundtable of interested parties concerning practice regarding securing credit with movable property and legal remedies to address problem areas will be formulated. This may result in a working group to adapt the draft law to address deficiencies and inconsistencies in this sphere and the development a political strategy for moving the draft legislation toward a second reading by the Verkhovna Rada.

The Center's Legislative Development Director met with key personnel from USAID projects including the Energy, Legal, Regulatory and Market Development, Bank Supervision, Legal Education, the Parliamentary Development Project, IMI MBA in Finance Project, Fiscal Analysis, Fiscal Reform, Pension Reform, Private Sector

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Accounting Reform, Privatization of Unfinished Construction Sites, Business Development, Financial Restructuring, Energy Privatization Support, Regulatory Reform and Improving Legal Education to familiarize these projects with the activities of the Center and to investigate possible areas for cooperation.

The Center assisted the Organization for Economic Cooperation and Development (OECD) in organizing a conference held on 23 February to present its report entitled “Ukraine Investment Policy Review: An Assessment of the Legal and Institutional Regime for Investment in Ukraine” to top level Ukrainian officials. Mr. Viktor Lysytsky, State Secretary of the Cabinet of Ministers of Ukraine, Mr. Rainer Geiger, OECD Deputy Director, Mr. Juergen Voss, OECD Consultant, representatives of Ukrainian business circles, governmental officials from the Ministry of Economy and Ministry of Finance, representatives from the Ukrainian State Property Fund, members of the Ukrainian Parliament, experts and officials from Poland, Hungary, Slovakia, Switzerland, United States, and the EU, discussed problems of the transition period of the Ukrainian economy and made recommendations regarding privatization, tax policy, anti-corruption efforts, and improvement of the investment climate in Ukraine.

The Center’s Legislative Development Department reviewed the report and provided the OECD with comments to consider in preparing its final draft of the report. Many of the comments pertained to updating the report to make it consistent with recent legislative changes.

The Legislative Development Department has developed a strategy for work with regard to the draft Law on Hypothecation . The first step in the implementation of the strategy was to identify and better define the issues. The Center held a roundtable on “Mortgage In Ukraine: Application Practices And Normative Regulation” on 11 April 2001. There were 39 participants, including lawyers from the Justice Ministry, professors of law, economists, bankers and private lawyers. It was chaired by Prof. A. Dovhert and an address was made by the Center’s Senior Legal Advisor Justin T. Holl, Jr. on the necessity of efficient, fair and effective mortgage procedures. The draft Law on Hypothecation, which passed the first reading in the Verkhovna Rada was then examined within this context. The general findings of the roundtable were:

- As a practical matter it is possible to engage in mortgage practice even without amendment to the Land Code, adoption of the Civil Code and a Law on Hypothecation.
- The draft Law on Hypothecation is silent on whether the debtor can prepay the loan or not.
- The draft is ambiguous regarding the necessity for court involvement in foreclosure and sale process. I.e., Is notarial certification sufficient or must a court approve the foreclosure?
- The draft does not specifically state that a foreclosure sale actually transfers ownership rights to the mortgaged land. See e.g. definition of “hypothecation”, which vaguely states “right to satisfy obligations...from collateral”.

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- The sale procedure eliminates the role of local radas in the sale process and thus may not have local support.
- The draft does not give creditors sufficient assurance that the procedures will be final and upheld as a matter of law.
- The procedure outlined in the draft is not sufficiently clear on how it corresponds with sales procedures for other types of collateral such as securities and movable property.
- There is no mechanism for pooling mortgage loans and selling them as a package or issuing securities on the basis of the loans for long-term investors.
- The draft does not state the specific documents required to effectuate foreclosure and define the legal certainty of the documents.
- The draft requires that the foreclosure sales price be not less than 80% of the market value of the mortgaged property. This compromises the incentive for bidders at public auction.

A detailed report summary of the proceeding has been prepared identifying issues that need to be developed for the draft Law on Hypothecation. A task force has been set up to present the issues and explanation for suggested changes in the draft law to the Committee on Financing and Banking Activities of the Verkhovna Rada and the Justice Ministry. It is expected that a working group will be created to rework the draft law to remedy deficiencies in the current draft. This work should be completed by the start of the fall session of the Verkhovna Rada.

On 3 April 2001 members of the Center staff, and in particular the Legislative Development Department, attended a briefing at USAID by the Ukrainian Union of Intellectual Property. This was followed by a presentation on violations of intellectual property rights in Ukraine given on 18 April at USAID by William Klein, Economic Officer of the US Embassy in Kyiv. These discussions made it clear that significant support in the legislative area is necessary in order to strengthen protection of intellectual property and to provide adequate remedies for violations of these rights. The Center has developed a strategy to provide support by creating a task force to coordinate activities, create a database of relevant laws and post them on the Center website, analyze legislation and relevant normative acts and prepare a report, publish a "Frequently Asked Questions" Booklet, dedicate an entire Center journal issue to the topic and intensify training with regard to intellectual property rights. A roundtable will also be held at the end of May or in early June.

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OUTREACH & INFORMATION

Business seminars

To maximize the impact of its business seminars, the Center organized a focus-group comprised of independent experts on Ukrainian business issues. Participants, along with Center staff and USAID UMREP information department specialists, discussed pressing legal problems in Ukrainian entrepreneurship and developed recommendations on topics and a methodology for Center seminars. Based on these recommendations a team of experts was recruited to develop a methodology for future seminars and to hold a pilot seminar for Kyiv entrepreneurs. The main purpose of the program is to improve the understanding and knowledge of commercial law within the business community explaining how commercial law is an instrument in protecting their lawful interests, and teaching them how to apply commercial law in their everyday life.

On 28 February a training seminar “Commercial Law as Instrument for Protection of Entrepreneurs” was held for the business community in Kyiv. The seminar program was developed on the basis of results from two focus groups, conducted at the end of January and in early February, as well as on numerous discussions with experts and practitioners. Training materials were also developed for the seminar. The seminar featured break-out groups and overall the event was rated highly by participants, which included 23 managers with at least 2-years experience in private business (over 50% of them were women). A schedule for additional business training seminars was developed in cooperation with the USAID projects, such as ARD/Checchi Regulatory Reform Project, BIZPRO, UMREP, drawing on their expertise and experience where possible.

Under the guidance of the Center, the experts have developed a seminar methodology and a program focusing on two topics: contract law and methods for dispute resolution. Auxiliary materials have also prepared for seminar participants. A schedule of seminars has been prepared, according to which 15 seminars are to be held in oblast centers. During this reporting period, additional seminars took place in Cherkasy, Vinnytsia, Dnipropetrovsk, and Zaporizhya. Assistance in the organization of the seminars was provided by local state administrations, branches of the State Entrepreneurship Committee, business incubators, and business associations.

Publications for non-professionals

The first issue of the Commercial Law Center Newsletter was published and distributed to 2000 addressees throughout Ukraine according to the database created by the Center. The list includes legal professionals and officials, the judiciary, and legal academic community. The second issue of the Newsletter is due to be published in early June. The newsletter will be published on an almost-monthly basis and will include reports on the Center’s activities as well as short articles on pertinent legal issues.

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The Center staff is also preparing draft texts for the first two commercial law compliance guides for the business community. This is being done in cooperation with experts of the Ukrainian Market Reform Education Program, particularly since their hotline provides a great deal of feedback on the issues the business community are facing. The topics under preparation are: "How to Become a Business Entity (physical person)", "How to Become a Business Entity (legal person)", and "How to Obtain a License to Conduct Business". Once published, they will be distributed throughout Ukraine to representatives of the business community.

Media Seminars

A number of consultations were held with journalists who regularly cover commercial law-related issues in their publications. Based on their feedback, a seminar program for journalists is currently under preparation.

Questionnaires regarding the Center's planned press seminars were distributed among 20 journalists present at the National Press Club for Market Reforms. Analysis of these questionnaires was done at subsequent meetings with UMREP and IREX-ProMedia representatives. The results were also used to develop the draft program for the seminars.

Press Relations

The Center continues to receive wide media coverage of its activities. A number of articles in *Yuridicheskaya Praktika* and *Biznes* were dedicated to the Center's seminars while a report on the pilot seminar "Commercial Law as Instrument to Protect Businesspersons" was disseminated to the numerous readers of USAID's Ukraine Market Reform Education Project's (UMREP) newsletter *Novy Kuryer*. The roundtable on the draft Hypothecation Law was highlighted in *Yuridicheskaya Praktika* and *Biznes*, as well as on the radio (National Channel 1) and on television (STB's *Vikna-Biznes*). *Biznes* and *Yuridicheskaya Praktika* also covered the signing of the cooperation agreement between the Center and the Kyiv Mohyla Academy regarding the Commercial Law Clinic. UMREP distributes the Center's newsletter at its regional press-clubs.

A radio program was broadcast on National Channel 1 reporting on the Center's activity and on a CLE seminar the Center organized. An article "To Promote a Legal Base for Business" was published in the bilingual journal - *Ukrainian Market Review*. The Center Director and Chief of Party answered listener questions on a live radio program aired on Radio Liberty/FM-Dovira. Following the Center's CLE seminar on intellectual property rights a number of popular Ukrainian papers such as "Biznes", "Yuridicheskaya Praktika", "Biznes Ukrayina" published articles covering the event.

On 14 February Center Director Viktor Musiyaka and Project Chief of Party Petro Matiaszek presented the Center's activities before representatives of the Ukrainian media gathered at the National Market Reforms Press Club in Kyiv. Prof. Anatoliy

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Dovhert also addressed the press regarding developments in the adoption of the draft Civil Code. More than twenty journalists participated in this event. In addition, television footage from this and other Center events was aired on National Channel One and ICTV.

The popular legal newspaper “Yuridicheskaya Praktika” published an article on 15 February covering the Center’s training workshop on contract law. Several journalists also attended the press conference which took place at the special conference organized around the OECD’s “Foreign Investment Policy Review”.

A series of radio broadcasts about the Center’s activities and legislative issues in the area of commercial law were aired throughout February on the First Ukrainian Radio Channel as part of their “Reforms Diary”, “Business Bulletin”, and “Markets from A to Z” programs.

Contractor Coordination Meetings

The Center hosted a meeting of commercial law contractors on 7 February. The meeting was held at the USAID mission and was attended by representatives of 6 contractors. Center Director Viktor Musiyaka presented a list of draft laws the Center has been asked to help develop. The Center regularly updates the Commercial Law Contractor List including the draft laws the various contractors are supporting.

ACTIVITIES PLANNED NEXT REPORTING PERIOD

Specific activities during the quarter will include:

- Professional Development:
 - conduct Training Workshop IV, “Protection of Economic Competition”, Workshop V on “Methods for Dispute Resolution”, and the final, Training Workshop VI, “Comparative Business Law in Foreign Countries”,
 - conduct two CLE seminars on legislative drafting techniques,
 - continue CLE seminars in regions on “Trade Aspects in the Use of Objects of Intellectual Property Rights in Market Economies”, “Issues of Legislative Support of Small Businesses”, and “Problem Issues of Business (Commercial) Law Application Practices”,
 - complete work of commercial law curriculum reform working group in development of model curriculum and curricula for electives,
 - support establishment of student law clinic at Kyiv-Mohyla Academy,
 - publish first issue of “Ukrainian Commercial Law” journal;
- Legislative Development:
 - continue work on key legislative initiatives, including the financial services area, intellectual property rights (particularly in the context of Book IV of the

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draft Civil Code), hypothecation, concession,

- Outreach & Information:
 - conduct full cycle of business seminars in regions,
 - conduct media seminar,
 - continue publication of Newsletter,
 - finalize publication of compliance guides for entrepreneurs;
- Administrative & Institutional:
 - conduct search for new Center Director;
 - conclude negotiations with Kyiv-Mohyla Academy for lease of office space.

FINANCIAL STATEMENT & MONITORING PLAN UPDATE

Please see attached.

Petro Matiaszek
Chief of Party